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TOP SECRET

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GERMAN	UNTTY	CAMPATON	STAGNATES																
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The Communist campaign for German unity seems to be losing momentum, and though it is unlikely to die completely, it does not seem to presage Soviet concessions which would make unity possible.

Current developments in the Near East have inspired Moscow to new efforts in aiding and instigating attacks against the "vulnerable rear of imperialism." The USSR is now playing a more openly active role aimed at speeding the deterioration of the Western position in the Near East and gradually aligning the area with the Soviet bloc.

THE SOVIET WORLD

In the Paris Big Four disarmament talks the USSR evidently still sought to commit the West to an immediate ban on the atomic bomb in exchange for the questionable future possibility of a control agreement covering the entire atomic energy and armaments field. The Soviet Union also continues to seek acceptance of a one-third arms cut for the Big Five. These maneuvers would hinder the build-up of NATO defenses without effecting the actual reduction of Soviet and Satellite armed forces and without taking into account the existing level and type of armaments.

Prior to General Assembly elections to replace Yugoslavia on the Security Council, Soviet delegate Malik made official approaches to both the British and United States delegations. He asked for adherence to the 1946 "gentlemen's agreement" concerning geographical distribution of council seats. Soviet threats and protests two years ago over the election of Yugoslavia were not backed up by retaliatory action in the UN.

A Moscow rumor that either S. N. Kruglov, USSR Minister of Internal Affairs (MVD), or V. S. Abakumov, Minister of State Security (MGB), was arrested last month adds to the recent rumblings of security troubles from within Soviet Central Asia.

Following the undoubtedly exaggerated reports that "widespread" peasant revolts had occurred last August in Kazakhstan, the Alma-Ata regional radio announced in October that a new Minister of the MGB had been appointed for the Republic. In November his opposite number in the Uzbek Republic was replaced. In October, the Kazakh Party organization and the Republic's intellectual leaders were subjected to unusually sharp public criticism for preoccupation with economic affairs to the detriment of ideological work.

It is unlikely, however, that these difficulties mirror any organized resistance activities in the area. Rather, this situation probably springs from the fact that Moscow's critical attention has now been turned toward the Central Asian area. Such blame is periodically levelled at various leaders in all national minority areas of the USSR, for their inability to extort economic and political requirements from the populace without causing sporadic expressions of resentment against the regime.

Soviet-Satellite ground force strength in Eastern Europe increased recently because of a differential in troop rotation in the Soviet-occupied zones of Germany and Austria and from fall inductions in several of the Satellites. Rotation of Soviet troops in East Europe is accomplished through the arrival of recruits from newly mobilized age groups and the departure of older age groups for demobilization.

Rail movements into and out of the Soviet Zone of Germany indicate that arrivals since early October exceeded departures by approximately 12,000 troops. As a result of these and earlier movements, there appears to have been a net excess of arrivals over departures of 61,000 to 81,000 during 1951. Movements are continuing and it is too early to estimate the extent to which this increase will affect the present estimated strength of 304,000, or to what degree it represents a permanent increase.

In the parallel program under way in Austria, the arrival of an estimated 1800 troops appears to have been offset by departures. Similar programs are presumably under way or have been completed in Hungary, Rumania and Poland, where Soviet troops are stationed.

Troop strengths increased in Poland, Czechoslovakia and Hungary this fall on a balance of call-ups and releases. In Poland the normal induction of the 1931 conscription class took place in October, but there is no evidence that the 1928 class was released. Without releases, the Polish Army would be increased by an estimated 65,000, bringing total strength to 265,000. Significant expansion of the armored forces and augmentation of air defense during 1951, as well as the scale of barracks construction and rehabilitation, support the probability of a permanent increase in the size of the Polish Army.

Although induction of conscripts in Czechoslovakia was postponed this year from 1 October to 1 November, approximately 60,000 men were brought into the Army instead of the customary 52,000 to 55,000 called up in previous years. If no releases occur, the Czech army will be about 215,000 strong.

The estimated strength of the Hungarian army has been increased, at least temporarily, from 100,000 to 150,000 as a result of early November inductions.

There have also been indications of increases in the size of the Bulgarian and Rumanian armies. Unlike Poland, Czechoslovakia and Hungary, which reportedly adopted the Soviet practice of a single induction of conscripts in the autumn, the southern Satellites issued one series of call-ups last spring and may be expected to issue another series this fall. Mobilization of a new age class has been accepted for Albania, reported but not confirmed for Bulgaria and not yet reported for Rumania.

REORGANIZATION OF THE CHINESE COMMUNIST PARTY

The Chinese Communist Party, which has swelled from one million to almost six million members in the past six years, is undergoing a reorganization which is to continue through 1953. This reorganization is expected to purge at least half a million members and to replace them with new members drawn largely from the ranks of urban labor.

A Chinese Communist spokesman announced in May that the Party was making preparations for a "systematic and complete reorganization."

Subsequent pronouncements have indicated that Party "streamlining" has been in process since May and that the purge is to reach its greatest intensity in 1953. Other sources have noted the Party's dissatisfaction with its predominantly peasant class composition.

The vast expansion of the Party from 1945 to 1951 naturally resulted in the acceptance of a large number of members who were either politically unreliable or professionally incompetent. While both groups undoubtedly include many old members, Peiping has made clear that the Party's principal concern is with the ignorance, lack of discipline and ideological naivete of "the majority" of the new members. There are indications that at least one in ten current members will be judged beyond redemption.

Certainly no more than a few hundred thousand of the Party's present members genuinely qualify as "workers." Recent reports assert that the Party aims to recruit up to one and a half million "workers" by the end of 1953. There are only three million industrial workers in all of China, however, and Peiping cannot possibly co-opt half of this number without lowering the standards which the reorganization seeks to raise. It is likely that a maximum of half a million new members is available from this source.

The Party is expected eventually to follow the practice of the Soviet Communist Party, which until 1939 favored a "worker" background but today is predominantly composed of "intelligentsia," i.e., Party and government functionaries, managerial and professional personnel, and military officers. The Chinese also will probably choose to draw the bulk of the Party's membership from the small governing class rather than from the governed masses.

The present 5.8 million members of the Chinese Communist Party represent slightly more than one percent of the Chinese population -- in

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contrast to the 3 percent represented by the Soviet Party's six million members — and the Chinese Party is unquestionably too small for its job. It is doubtful, however, that the Party can simultaneously purify itself, change its class composition, and substantially expand.

YUGOSLAVIA'S ROLE IN WESTERN DEFENSE PLANS

During the past six months, Yugoslavia has become increasingly identified with the West, although still steadfastly refusing to associate formally with any of the organizations or plans designed to secure non-Communist Europe and the Middle East. A rebel against Russian domination, Yugoslavia considers itself the sole exponent of pure Communism and refuses to compromise its doctrines by too close alliance with the West.

This process of emergence from a position of relative isolation between what the Yugoslavs describe as two "irreconcilable power groups" reflects a re-evaluation of Yugoslav security needs in the light of recent events. The press of economic problems accompanying an overambitious industrialization plan and continued heavy defense expenditures is partially responsible for the change. In addition, growing concern over the deterioration of East-West relations and over the chances for survival in isolation from both major block has probably contributed to the perceptible pro-Western shift.

While the Yugoslav Government has made clear its determination to remain apart from NATO because of domestic political considerations, Tito has stated that he wishes to develop increasingly intimate relations with the West on a gradual step-by-step basis. The conclusion of a bi-lateral arms assistance agreement with the US, and Tito's expressed willingness to enter into reciprocal political commitments with certain individual Western states, are positive steps in this direction.

Yugoslav acceptance of a US military group to supervise the arms aid program follows high level strategic talks conducted this fall with British and American military officials. During Army Chief of Staff Collins' visit to Belgrade, Yugoslav leaders showed understanding of the crucial importance of securing the Ljubljana Gap and the Vardar Valley in the interest of Western defense plans, but at the same time made it clear that the Yugoslav army is primarily committed to the defense of the entire border area.

Recent events in the United Nations, such as Yugoslavia's submission of a bill of particulars against its Communist neighbors and its affirmative vote last May for additional economic sanctions against Communist China, also represent significant departures from the strict neutrality policy.

Finally, Yugoslav views on Western German rearmament have undergone a marked metamorphosis. Marshal Tito recently voiced the opinion that if Germany is accorded every other equality it should also be given the right to arm. He has also stated that the West could count on his active support in the event of a Soviet attack anywhere in Europe.

Despite this apparent trend toward closer alignment with the West, there are a number of important negative factors tempering closer Yugoslav-Western relations and discounting the possibility of formal Yugoslav military commitments under present circumstances.

Of great importance is the profound influence of Communist dogma on Yugoslav estimates of Western strength, reliability, motives, and intentions. Typical of this attitude is the manner in which the Yugoslavs resisted the establishment of a military group to supervise the American arms aid program. While the government ultimately accepted a small group, indications are that it will attempt to restrict its activities to a minimum. Similarly it has steadfastly resisted the UNsponsored plan for the establishment of a Peace Observation Committee in the Balkans.

The Yugoslav attitude towards regional defense measures is illustrated by the firm belief that the best hope for peace in the area is their country's determination to remain steadfastly independent, a policy designed to avoid provocations and serve as an example to European Communist parties. In this connection, the Yugoslav UN delegation only last week opposed a Western resolution because it included reference to the possible employment of regional pact armies as a means of combatting aggression. The Yugoslavs have never shown real interest in any kind of regional arrangements with their non-Communist neighbors.

On the basis of Italy's dismal military record, Tito questions the effectiveness of any Italian contribution to Western defense. Yugoslav policy toward Greece is also conditioned by its low evaluation of Greek military strength as well as traditional hostilities and frictions arising from the recent Greek civil war and the Macedonian question.

While the Yugoslavs feel that the proposed Middle East Command offers prospects for greater stability and security in the area, they question its feasibility on grounds that Turkey is the only Middle Eastern nation with significant military value.

On balance, it is quite evident that Yugoslav leaders do not feel compelled, at least under present circumstances, to compromise their ideological principles and goals in an effort to gain added security through formal adherence to defense arrangements. An alliance, moreover, might cost Yugoslavia some degree of independence by committing it to the defense of weak and "unpredictable" states in addition to exposing its internal policies to greater Western scrutiny, criticism and pressures.

WORLD COMMUNISM: THE CURRENT POSITION OF THE WORLD FEDERATION OF TRADE UNIONS

Proceedings at the recent conference of the World Federation of Trade Unions in East Berlin reflected Communist concern over the lack of enthusiasm among Western European labor for activities against Western defense preparations and over the failure of this year's "unity of action" drives.

The conference appealed to all workers of the world for "unity on the basis of economic demands," the struggle for unity to be linked with a fight for peace against the United States and other Western "imperialist and colonial powers." All trade unions were urged to cooperate in a drive to block rearmament of Japan and West Germany and the establishment of US bases in the Far East and Europe. Aside from suggestions to infiltrate non-Communist unions, no plans for specific action emerged from the meeting. There was no evidence of preparations for a new strike wave in Western Europe.

Although the WFTU is still the largest trade union international and has full consultative status in the UN Economic and Social Council, it is no longer as representative of world labor as it was when formed in 1945. This is due largely to the despatch with which the Soviet element took over the governing bodies of the federation within the first years and the zeal with which it thereafter promoted Soviet objectives, until all non-Communist affiliates withdrew. The organization received an additional blow when the French government early in 1951 forced it to withdraw its international headquarters from Paris. Headquarters were subsequently established in the Soviet sector of Vienna.

Soviet strength within the WFTU is based primarily on key Moscow Communists entrenched in the Secretariat and on hard core cadres in the French and Italian trade union confederations which are directly controlled from Moscow.

A weakening factor to Soviet hopes to regain Western labor support has been the gradual growth of the International Confederation of Free Trade Unions, organized in 1949 to counter the influence of the WFTU and provide an international voice for non-Communist labor unions. The ICFTU's growing influence is reflected in repeated WFTU invitations to the ICFTU membership to overcome "the splitting tactics" of its leaders and unite with the WFTU in cooperative action.

Nevertheless, through its control of large groups of strategic workers in the French and Italian communications and transport industries, the WFTU retains considerable ability to bring about strikes and slowdowns and to aggravate existing dissatisfaction over economic conditions and government policies.

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THE CURRENT SITUATION IN KASHMIR

The government of Indian-held Kashmir is apparently pressing its efforts to establish itself as the supreme authority and to sever as many as possible of the ties which bind it to India. In this effort the Kashmiris are supported, if not activated, by Communists. Certain implications of the Kashmiri moves may not be apparent even in India.

The most recent of these moves was made on 20 November, when the government announced that the Constitution of Kashmir had been amended to convert the Constituent Assembly into a Legislature with full executive and legislative authority, and to relegate the Crown Prince to the position of a constitutional monarch without powers.

The announcement was made while the Constituent Assembly was adjourned sine die. It raises important questions regarding the legal status of the Crown Prince, the present validity of his father's accession to India, the authority of India over the new Legislature, and the ability of the Legislature to prevent integration of Kashmir into India by invalidating previous legislation.

Additional indications of the intent of the Kashmiris in amending the Constitution are given in the Indian press. The newspaper Times of India reported that opposition to the idea of a UN-sponsored plebiscite is growing among youthful members of Sheikh Abdullah's Kashmir National Conference party. The General Secretary of the Indian Communist Party publicly remarked that the Kashmir question should be withdrawn from the United Nations and that the monarchy should be abolished.

The Kashmiri Government is already theoretically independent of India in matters other than defense, external affairs, and communications, despite the fact that the state is occupied by Indian troops. To a certain extent, India approves the measures being taken by the Kashmiris to decide their own future. In Indian eyes, these measures are directed toward entrenchment of the present supposedly pro-Indian regime, eliminating the necessity for a plebiscite, and toward eventual accession to India. Such action helps to refute Pakistani claims that the Kashmiris are dominated by India.

On the other hand, the Kashmiri Prime Minister, Sheikh Abdullah, is known privately to favor complete independence over accession either to India or Pakistan. The Communist President of the Kashmir Legislature and other alleged Communists or fellow-travellers in the government presumably have no desire to end their political careers by hastening the integration of their state into the Indian political system. They are undoubtedly aware of India's repressive policy toward native Communists.

It may well be, therefore, that the Kashmiris are not setting the stage for accession to India, as that country believes. With the Crown Prince stripped of his powers, and with the legal relationship of the new Legislature to the Government of India in some doubt, the way is now clear for the Kashmiris, whether Communist or not, to take matters dealing with defense, external affairs, or communications into their own hands.

There is no indication that such an attempt will be made in the near future if Sheikh Abdullah and his government retain considerable autonomy. From both Abdullah's and the Communists' points of view, there is still much work to be done. Nevertheless, when integration with India seems inevitable or Communist plans for action are ripe, there is a distinct possibility that the Kashmiris might declare their independence or at least openly seek closer relations with Communist-dominated Tibet and Sinkiang.

India has long publicly advocated that the people of Indian-held Kashmir should be free to manage their own affairs. It is unlikely, however, to overlook any direct challenge to its de facto control of the state. In meeting such a challenge, it would probably take drastic political and military action, despite criticism which would certainly be leveled at it from Pakistan and other quarters.

Still, if it should ever serve Kashmiri or Communist interests to create chaotic conditions in Kashmir, to inflame Indo-Pakistani relations, to flout the authority of the United Nations, or to open the door to Chinese Communist or Soviet penetration, an effort might well be made to do so. From the Communist point of view, the attempt would not necessarily have to be made with any expectation of success.

GERMAN UNITY CAMPAIGN STAGNATES

The Communist campaign for German unity, which is an integral part of the general Soviet diplomatic and propaganda drive against Western defense plans, seems to be losing momentum without having ever developed perceptibly beyond a simple call for all-German conversations. The chief reason for the campaign's failure to gain headway is that the West German Chancellor and legislature have ignored the East German offer of conversations, while at the same time calling for an investigation of electoral conditions throughout Germany through a device unacceptable to the Communists.

Furthermore, West German public sentiment has not coalesced in favor of all-German talks. Chancellor Adenauer, who is opposed to any exploration of the unity problem now with the East Germans, scored his biggest victory recently when he seemingly convinced leaders of the Evangelical Church of the wisdom of his position.

The East Germans have made no attempt to hide the fact that their unity campaign is intended to delay and hinder the formation of West German defense units. Gerhart Eisler, propaganda chief of the German Democratic Republic, declared that "it took no Columbus to make this 'discovery,'" and the East Germans have been increasingly frank about their view that a unified Germany would have to be closely associated with the USSR.

The latest phase of the campaign opened on 15 September with the East German proposal of talks between East and West German representatives to arrange elections throughout Germany to a National Assembly charged with effecting unification. A second alleged purpose of the talks was to speed up a German peace treaty. In reply, the West German Bundestag proposed, in effect, a prerequisite for unity talks by asking that a UN commission investigate whether conditions in all zones of Germany were favorable to the holding of elections. The Bundestag also stipulated 14 essential principles on which elections must be based.

When discussions between representatives of East and West Germany failed to materialize, the USSR gave indications of trying to use restrictions on Berlin's commerce with West Germany as a lever to force four-power discussions in the course of which the question of German rearmament could be introduced. The four-power talks on disarmament in Paris may, however, have made this maneuver unnecessary for the time being.

The USSR's tactics regarding the question of West German inclusion in Western European defense plans follow the pattern Moscow established in 1948 when the USSR tried to frustrate any political and economic

unification of the Allied zones of Germany which would facilitate a contribution to Western European economic cooperation.

Both in 1948 and in 1951 the Soviet Government resorted to direct diplomatic pressure on the three Western powers, interference with German East-West trade, and propaganda inside Germany for a "National Front" or German unity. The two instances are not completely parallel: in June 1948 the Berlin blockade was tried as a means of coercion. This served merely to spur on Allied decisions looking toward the creation of a European defense system to which West Germany would eventually make a contribution. The likely results of a similar step at this time, even if successful in ousting the three Western powers from Berlin without war, would be an increase in the anticipated degree of West German participation in NATO and an acceleration of Western defense efforts.

Speculation on the Soviet Union's willingness to make concessions in the form of free, democratic all-German elections and the establishment of a central German government should be viewed primarily against the background of postwar developments. In 1945 the four powers were confronted in Germany with a fluid situation — a political vacuum in which decisions could be made free of the entanglements of prior policy commitments. But now there are in divided Germany two sets of political and economic institutions to which the opposing powers have made such commitments that the possibility of compromise on either side is questionable.

The unity campaign remains a tactic useful to the USSR in establishing for the benefit of the German people its interest in Germany's unification. The campaign is likely to be revived whenever the Russians think it expedient to do so; but it does not now, any more than in the past, seem to presage any genuine Soviet concessions which would make possible the actual political and economic unity of Germany outside the Soviet Orbit.

The sending of an East German delegation to the UN hearing on an investigating commission must be considered primarily a defensive move, designed to justify a future denial of entry for a UN election commission into East Germany.

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SPECIAL ARTICLE

RECENT EVENTS IN THE MIDDLE EAST GIVE IMPETUS TO SOVIET COLONIAL POLICY

The recent events in Iran and Egypt are probably viewed by the Kremlin as further proof of the thesis that the West can be seriously weakened by the loss of control over areas which have heretofore provided markets, raw materials and strategic bases in Asia, the Near East and Africa. Current developments in the Near East, following fareaching postwar changes in colonial and semi-colonial areas of Asia like China, Indochina, Burma, and Indonesia, have given the Soviet Union new encouragement in "attacking the vulnerable rear of imperialism."

The growing unrest of Asia's millions under Western influence and control was long ago noted by Soviet leaders, and as early as 1925, Stalin characteristically interpreted Communist theory concerning the colonial areas in terms of military strategy. In his view, colonial countries formed the "base of imperialism," and through the revolutionary struggles of colonial peoples, the capitalist nations would be subjected to attacks in their rear at the very moment that they were under frontal attack at home.

Having recognized the process whereby the peoples of Asia -- and to a much lesser extent, those of Africa -- were seeking self-determination and emancipation from Western imperialism, the Soviet leaders sought from the early years of the Bolshevik regime to encourage and take advantage of this gradual upsurge of nationalism.

In Moscow, Tbilisi, Vladivostok and other cities of the USSR, universities were established for the sole purpose of training leaders representing all the varied nationalities of colonial areas. Great emphasis was placed on political theory, but the practical side received considerable attention as well. Courses were given in guerrilla warfare which, from the late 1920's, used Chinese Communist experience as a model, and in sabotage and subversion. These institutions were responsible for training many of the leaders who now control Communist movements in the Far and Near East.

After the war, the Soviet leaders viewed the colonial issue as an immediate means of bleeding the West of its strength and weakening, perhaps fatally, European nations which at home faced staggering problems of economic rehabilitation and recovery.

In most of the countries of East Asia, indigenous "liberation" movements were formed or expanded during World War II. It became Communist strategy to take over these native movements and to employ their armed forces, operating from territorial bases, to extend Communist

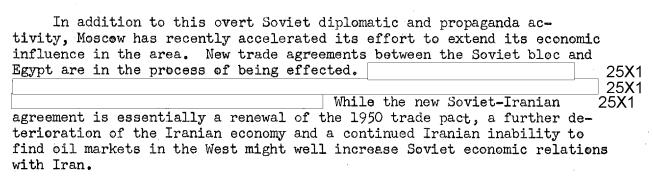
control over their respective countries. After the success of this strategy in China, the Peiping Government undertook to assist other East Asian "liberation" movements. This program will hardly be affected by events in Iran and Egypt.

In the Near East, the growth of nationalism has provided the USSR with new opportunities. Previously, conditions for revolutionary exploitation existed only in Iran and Greece, but Soviet efforts to set up an independent Azerbaijan state in Iran and to gain control of Greece through a civil war were both frustrated.

In the past year, however, events in the Near East have played into Moscow's hands without the need for overt participation. The USSR until recently, therefore, has been satisfied to confine its efforts to the traditional and covert role of exploiting and arousing the local forces of nationalism and Islamism. Iran and Egypt have themselves initiated the attack on Western strategic and economic interests. As long as conditions in the Near East continue to evolve advantageously to Soviet interests and while no solutions are worked out on such issues as the Suez Canal, the Middle East Command proposals, and Iranian oil, the USSR can continue to rely heavily on local forces to weaken Western influence.

The USSR is now playing a more openly active role, aimed at speeding the deterioration of the Western position in the Near East and
gradually aligning the area with the Soviet bloc. The new policy is
illustrated by the notes of 21 November warning Near East nations against
adherence to the Middle East Command.

These notes, together with extensive diplomatic support accorded the Near East at the General Assembly and the multiplied assertions over Radio Moscow of Soviet friendship for the Near East masses, are calculated not only to encourage anti-Western Arab policies and to stiffen neutrality sentiment, but to build up Near East appreciation of the USSR and the growth of closer ties with the Soviet bloc.



The influence of the latest events in Iran on the Arab states and the possible loss of Iranian oil resources to the West are serious developments, not only in terms of the implications on the Western Power positions but in terms of possible future Near Eastern economic needs

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which Moscow would seek to exploit. Soviet efforts to deny Iran's oil to the West particularly illustrate how the USSR is seeking to take advantage of current developments through economic as well as diplomatic means in its new program for winning the friendship of the area and ultimately placing local elements more friendly to the USSR in positions of political power.